Invitation to Submit Proposal for the Supply of Power to Davao Light and Power Company 2nd Round

1. Bid Information

Davao Light and Power Company ("davao light") is a duly franchised distribution utility engaged in the distribution of electricity within its franchise area covering Davao City, areas of Panabo City, and the municipalities of Carmen, Dujali, and Santo Tomas in Davao del Norte. Davao light is in need of the supply of electricity for its power requirements to meet the demand of its captive customers.

Davao light is in need of a qualified supplier that can supply 55MW of power to commence on February 26, 2022, which date for the start of supply shall be subject to the approval of the Energy Regulatory Commission.

1. Minimum Requirement of Supply

Davao light, through its Third Party Bids and Awards Committee ("TPBAC"), is inviting proposals with the following Minimum Requirements of Supply ("Bid"):

| 1 | Required Capacity | 55 MW |
|---|--------------------------------|--|
| | Annual Maximum Energy | equivalent energy of 300,000 MWh per annum net of forced and unforced outages |
| | Annual Minimum Energy | equivalent energy of 200,000 MWh per annum net of forced and unforced outages |
| 2 | Supply Description | 75% of the supply must come from an Eligible RE Facility or Facilities as defined by the Renewable Energy Act of 2008. Hence, at least 75% of the Energy from the PSA shall have Renewable Energy Certificates. Has the capability to provide power during peak and off-peak May come from a single or portfolio of plants |
| 3 | Start of Supply | February 26, 2022 subject to the approval of the Energy Regulatory Commission |
| 4 | Term of Power Supply Agreement | Ten (10) years with option to terminate on the 5th year by davao light without termination penalty |
| 5 | Receiving Point | Davao light Metering Point/s |

| 6 | Connection Scheme | Bidders must submit a diagram of its connection |
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| | | to the Transmission Grid or Distribution System |
| | | which will form part of the overall evaluation. |
| 7 | Form of Payment | Philippine Peso |
| 8 | Tariff Structure | Supply offers must have an attached Renewable Energy Certificate of at least 75% of the total |
| | | contracted energy. |
| | | Supplier to indicate all applicable indexes as of March 2020, when applicable. |
| | | Tariffs will be evaluated at the receiving point/s of davao light or at delivered cost. |
| | | An offer with Prompt Payment Discount is an |
| | | advantage. |
| 9 | Taxes | Bidders to indicate applicable taxes |
| 10 | Taxes | Davao light shall set a price ceiling which will be |
| | | disclosed before opening the Second Bid |
| | Price Cap | E-Submission. Price Cap will be on the Tariff |
| <u> </u> | | before deducting the Prompt Payment Discount. |
| 11 | | Winning Bidder shall shoulder the replacement |
| | | cost in excess of the winning bid price in the event that the winning Bidder fails to supply |
| | Penalty for failure to Supply | power on the date of the Start of Supply. Further, |
| | Terraity for failure to Suppry | in the event that davao light will experience |
| | | outages due to the failure of winning Bidder to |
| | | supply energy, davao light will be reimbursed by |
| | | an amount equivalent to the shortage in kWh |
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| | | multiplied by 1.50 P/kWh. |

2. Eligibility Requirements

Parties intending to bid ("**Prospective Bidders**") shall be required to comply with the following eligibility requirements ("Eligibility Requirements"):

- A. Prospective Bidders shall submit the following:
 - (i) duly notarized Secretary's Certificate authorizing participation in the Bid;
 - (ii) duly notarized expression of interest to participate in the Bid in accordance with the terms set out in the ITSP;

- (iii) duly notarized Non-Disclosure Undertaking in the form prescribed by the TPBAC signed on every page by the duly authorized representative; and
- B. Payment of non-refundable bid processing fee of PhP100,000.00

3. Instruction to Bidders

All requests and submissions of CSP documents shall be addressed to the TPBAC Chairman and communicated through the CSP Secretariat at dlpc.csp.secretariat@aboitiz.com. Only the authorized representative/s of the Prospective Bidder are allowed to ask queries or submit documents through electronic mail.

Prospective Bidders may request and obtain a copy of the Eligibility Documents through a letter request. Deadline for the submission of the eligibility requirements and payment of bid processing fee is at 12:00 p.m. of October 21, 2021 (the "Pre-Qualification Deadline").

The Secretariat shall evaluate the timeliness, completeness and conformity of the submitted Eligibility Requirements as they are received from the Prospective Bidders. A Complete and Incomplete criterion will be used on whether the Prospective Bidders meets the Eligibility Requirements. Prospective Bidders with Eligibility Requirements submissions that are marked as Incomplete shall be given the opportunity to rectify their submission but not later than the Pre-Qualification Deadline. Eligibility Requirements received after the Pre-Qualification Deadline shall not be evaluated and the Prospective Bidder deemed disqualified to participate in the Bid. Only Prospective Bidders that have complied with the Eligibility Requirements shall be allowed to participate in the Bid.

The duly accomplished Eligibility Requirement including payment of the non-refundable bid processing fee shall be submitted on or before 12:00 p.m of October 21, 2021 (the "Pre-Qualification Deadline"). Only Prospective Bidders that have complied with the Eligibility Requirements on time may be allowed to participate in the Bid and to obtain all bidding documents, including the detailed terms of reference and bid procedures.

Indicative Schedule

| Pre-Qualification Deadline | 12:00 p.m. of October 21, 2021 |
|--|---|
| Availability of Bid Documents | October 6 to 21, 2021 |
| Deadline for Submission of Comments and Questions on the Bid | 12:00 p.m. of October 22, 2021 |
| Pre-bid Conference | October 25, 2021 from 10:00 a.m. to 5:00 p.m. |
| Issuance of Bid Bulletin/s, if required | October 26 to 29, 2021 |
| Deadline for Submission of Bids ("Bid Submission | 9:00 a.m. of November 17, 2021 |

| Deadline") | |
|--|--------------------------------|
| Opening of Bids Evaluation of Bids Provisional Declaration of Winning Bidder (subject to Post Qualification) | 9:00 a.m. of November 17, 2021 |
| Post Qualification (validation of hard copies submitted by the Winning Bidder) | 1:30 p.m of November 24, 2021 |
| Issuance of Notice of Award | 12:00 p.m of November 24, 2021 |

Any amendment to the Schedule will be announced through Bid Bulletins and communicated to the Prospective Bidders through email.

Unless otherwise expressly specified in writing, all references to times and dates shall refer to Philippine Time.

For further information, prospective Bidders shall communicate to the CSP Secretariat at dlpc.csp.secretariat@aboitiz.com.

THIRD PARTY BIDS AND AWARDS COMMITTEE DAVAO LIGHT AND POWER COMPANY

By: DocuSigned by:
8187AD8EF0654D6...
Orville Lazaro
Chairman, TPBAC

October 4, 2021